DOCUMENT RESUME

ED 168 453 HE 011 184

AUTHOR Kramer, Frank
TITLE Cooperative Education: Entrepreneurial Development by Colleges and Universities. A Case Study of Berea College, Berea, Kentucky.
INSTITUTION Phelps Stokes Fund, Washington, D.C.
SPONS AGENCY Economic Development Administration (DOC), Washington, D.C. Office of Technical Assistance.
PUB DATE Dec 77
GRANT DOC-99-06-09589
NOTE 62p.; For related documents see HE 011 182-183
AVAILABLE FROM Phelps-Stokes Fund, Suite 1100, 1029 Vermont Avenue, NW, Washington, DC 20005

EDRS PRICE MF01/PC03 Plus Postage.
DESCRIPTORS Apprenticeships; *Business; Business Skills; *Career Development; Colleges; College Stores; *Cooperative Education; Economic Opportunities; Educational Economics; *Experiential Learning; Farm Management; Food Service Industry; Higher Education; School Industry Relationship; School Newspapers; *Student Employment; *Work Experience Programs
IDENTIFIERS *Berea College KY; Economic Impact

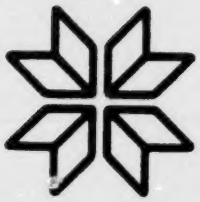
ABSTRACT

The entrepreneurial development and experiential education environments of Berea College, Berea, Kentucky, are described. The college-owned enterprises of the Boone Tavern Hotel and dining room, college farms and poultry, college laundry, college store, student craft industries, and the college press are discussed in terms of markets and marketing, permissions and protections, management and business services, financial aspects, facilities and materials, and schedules and staffing. The principal characteristics of experiential education, including forms of implementation, work arrangements and supervision, and outcomes, are discussed. It is concluded that the primary financial benefit to the college of the program results from the opportunities for student employment. Other financial benefits provided by the enterprises include helping the college become a closed economic system and the market return on investment which provides a modest profit for year-end June 1977. (SW)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

HE

ED168453



Phelps Stokes Fund
Education for Human Development

COOPERATIVE EDUCATION: ENTREPRENEURIAL DEVELOPMENT

BY

COLLEGES AND UNIVERSITIES

A Case Study of Berea College, Berea, Kentucky

Task 14, Grant No. 99-06-09589

December, 1977

Prepared by
Frank Kramer, Consultant

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

Phelps Stokes Fund

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC) AND THE ERIC SYSTEM CONTRACTORS."

Submitted to
Office of Technical Assistance
Economic Development Administration
U.S. Department of Commerce
Washington, D.C.

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
NATIONAL INSTITUTE OF EDUCATION

THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY

Submitted by
Phelps-Stokes Fund
Suite 1100
1029 Vermont Avenue, N. W.
Washington, D.C.

HE 011 184

Preface

This report describes the entrepreneurial development and experiential education environments of Berea College, Berea, Kentucky. The study was conducted under task 14 of Grant No. 99-06-09589 to the Phelps-Stokes Fund by the Economic Development Administration of the U.S. Department of Commerce. The objectives of the program, "Cooperative Education: Entrepreneurial Development by Colleges and Universities," are directed toward helping participating colleges establish profit-making enterprises

- to provide needed revenue for endowment or discretionary purposes
- to broaden the college's appeal to prospective students
- to supply a constant source of student aid through part-time employment opportunities
- to give students training for future careers through apprenticeships.

Task 14 of the program grant required the Phelps-Stokes Fund to "complete and publish case studies for two institutions already involved in similar efforts." This report and its companion report, "A Case Study of Oakwood College, Huntsville, Alabama," were prepared in fulfillment of that task.

On-site visits to Berea College were made on September 15-16, 1977, and November 1-4, 1977. The first visit was made by Mr. Robert J. Small and Mr. Frank Kramer; the latter on-site visit was made by Mr. Kramer.

Appreciation is expressed to Mr. William R. Ramsay, Vice President for Labor and Student Life; Mr. Karl Warming, Business Vice President; Mr. John Heneisen, Associate Dean of Labor and Financial Aid; Mr. H. E. Bowers, General Manager, Student Craft Industries; Mr. James S. Replogle, Superintendent, Berea College Press; Mr. Owen Presley, Assistant to the Business Vice President; Mr. Cecil Connor and Mr. Curtis Reppert, Managers of Boone Tavern Dining Room and Hotel; Dr. Robert Johnstone, Chairman, Department of Agriculture; Mr. William A. Laramee, Director of Student Development Services; Professor P. Spears, Department of Economics and Business; and to managers of Berea College enterprises.

Contents

Preface ... ii

I. INTRODUCTION ... 1

A. Organization of report ... 1
B. Study of college enterprises ... 1
C. Berea College ... 4

II. COLLEGE-OWNED ENTERPRISES ... 7

A. Lines of business ... 7
B. Markets and marketing ... 8
C. Permissions and protections ... 13
D. Management and business services ... 14
E. Financial ... 16
F. Space, facilities, and materials ... 19
G. Processes, schedules, and staffing ... 25

III. EXPERIENTIAL EDUCATION ... 30

A. Definition of experiential education ... 31
B. General themes ... 32
C. Forms of implementation ... 33
D. Work arrangements ... 42
E. Work supervision ... 45
F. Outcomes of experiential education ... 47

IV. CONCLUSIONS ... 50

References ... 54

I. INTRODUCTION

A. ORGANIZATION OF REPORT

Subpart B, "Study of College Enterprises," of this section describes the study approach used in this case study. Subpart C, "Berea College," provides an introduction to the College, including summary orientations to experiential education, environmental demands, and enterprises.

Part II is titled "College-Owned Enterprises." In this part of the report, aspects of business management are discussed, with Berea College industry descriptions supplementing the text. This part of the study provides the major descriptive content of this document.

Part III is titled "Experiential Education." As is done regarding enterprises in Part II, this part of the report discusses aspects of experiential education, with illustrative documentation of the Berea College approach.

Finally, part IV, "Conclusions," indicates the benefits, economic and educational, derived from the incorporation of profit making enterprises in Berea College's economic and educational environments.

B. STUDY OF COLLEGE ENTERPRISES

Prior to the conduct of on-site visits, preliminary data-gathering instruments were prepared. These questionnaires were prepared to elicit information regarding entrepreneurship, experiential education, and benefits derived.

To cover the operational details of college-owned and operated enterprises, several categories of description ("status descriptors") were employed:

- Lines of business
- Markets and marketing
- Permissions and protections
- Management and business services
- Financial
- Space, facilities, and materials
- Processes, schedules, and staffing.

These "status descriptor" categories are used as subheads and are defined later in this report (see Part II, "College-Owned Enterprises").

While status descriptor categories elicit a comprehensive description of an enterprise at a given time, the dynamic nature of enterprise development and operation--a "development sequence"--suggests several appropriate times for such description:

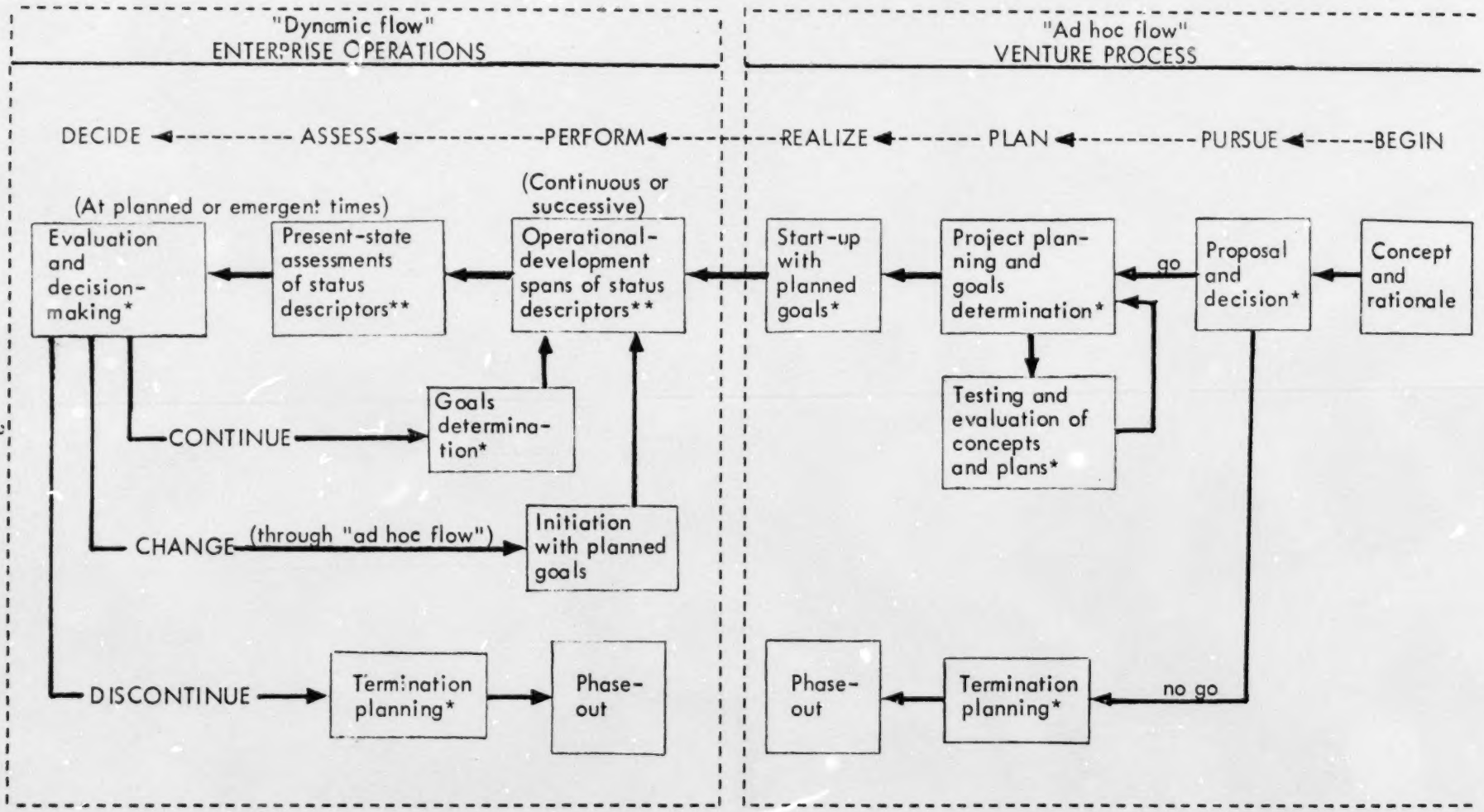
- Begin: the time of concept and rationale determination for the enterprise
- Pursue: the time of proposal, consideration, and decision making regarding the actual start of the enterprise
- Plan: the time of project planning and goals determination, including testing and evaluation of the plans before implementation
- Realize: the time of implementation--starting up the enterprise in accordance with planned goals
- Perform: the time, recurring in cycles, of enterprise operations; usually several types of operational-development spans or cycles of operations are typical of the enterprise
- Assess: the times at which the enterprise management assesses performance, normally along status descriptor lines
- Decide: the outcomes of assessments--evaluation and decision making to continue, to change, or to discontinue operations or subparts.

The concepts of status descriptors and development sequence may be illustrated by a relationships-flow model of concept and operations management for ventures and enterprises (Exhibit 1). Exhibit 1 sets forth in diagram form two major processes: (1) the Venture Process (also termed the "ad hoc flow"), and (2) Enterprise Operations (also termed the "dynamic flow").

The Venture Process, or ad hoc flow, portion applies to the origins of the enterprise ideas and their development to the point of implementation. This portion, therefore, refers to start-the-enterprise functions including concept and rationale, proposal and decision, project planning and goals determination, testing and evaluation, and start-up of the enterprise with planned goals. The Venture Process is not covered by this report, due to the fact that the case study enterprises have been in existence for long periods of time.

Exhibit 1:

VENTURES AND ENTERPRISES: A relatic ships-flow model of concept and operations management



* Points at which a revised concept may be generated; i.e., a possibility for re-entry to the "ad hoc flow" chart.

** "Status descriptors" include: Line(s) of business, Markets and marketing, Permissions and protections, Management and business services, Financial, Space/facilities/materials, and Processes/schedules/staffing

The Enterprise Operations, or dynamic flow, portion of the diagram refers to run-the-business functions including both planned and opportunistic developments, enterprise operations over time, and the assessments and decisions required in continuing and improving the enterprise. Note that within normal enterprise operations, decisions to change existing enterprise premises, constraints, procedures, or operations are made by proceeding through a variant of the ad hoc flow process. In this report, Part II, "College-Owned Enterprises," provides further description and illustration of the enterprise operations process.

C. BEREA COLLEGE

> Berea College is located in Berea, Kentucky, a city of approximately 7,000 in southern Madison County. Just off Interstate 75 (120 miles south of Cincinnati), Berea is 40 miles south of Lexington, heart of the Blue Grass region, and 12 miles south of the county seat city of Richmond. The 140-acre Berea College campus is on a ridge bordering the Cumberland foothills. The College farms and forest lands are not far from the campus.
>
> Founded with a Christian emphasis on a nonsectarian and interracial basis in 1855 by the abolitionist minister, John G. Fee, Berea College seeks able students who need Berea's low-cost educational opportunity. Eighty percent of Berea's students are natives of the southern Appalachian region.
>
> A labor program in which all students work at least ten hours a week enables them to earn money to assist in defraying their term bills. Every student is guaranteed a full scholarship for the educational costs. The present enrollment is about 1,500.
>
> More than half of Berea's graduates go on to graduate or professional schools. The faculty is lively, eminently qualified and carefully selected from among the many teachers who are attracted to this distinctive liberal arts college.
>
> — Guide to the Campus, Berea College, 1976.

1. Experiential education

Berea College's College Catalog 1977-1979 indicates that "the concept of work-learning is basic to the philosophy of Berea College, where the educational program is a life experience that includes the performance of work" and explains that

> Student labor has been a part of the Berea program since 1859, and is essential to virtually every aspect of the operation of Berea College. It is central to the financial aid program for students, the economics of the College, and the social and educational experiences of the student.
>
> — p. 29, College Catalog 1977-1979.

One of seven "Great Commitments of the College" is "to demonstrate through the Labor Program that work, manual and mental, has dignity."

> Translating the fourth Great Commitment into action, the labor program demonstrates the dignity of work shared by all. Through the fellowship of meaningful work experiences, an atmosphere of democratic living prevents social and economic distinctions and instills an awareness of social responsibility. As an educational tool, the labor program provides opportunities for acquiring skills, applying learning, exploring areas of knowledge, and developing creativity and personal abilities. Through this program, students render service to others, an important aspect to the Christian ideals toward which the College strives.
> — p. 29, College Catalog 1977-1979.

2. Environmental demands

> . . . Berea College has determined that its resources should be devoted to the advancement of the people of the Southern Appalachian Mountain region and 80 percent of its students are chosen from this area. The remainder come from other parts of the United States and foreign countries. Over twenty nationalities were represented in the student body last year.
>
> As an integral part of the educational program, each student is expected to perform some of the labor required in maintaining the institution, thus to gain an appreciation of the worth and dignity of all the labor needed in a common enterprise; to acquire some useful skill; and to develop a sense of responsibility for a specific task.
>
> The aim is to make available a sound education to students who are unable to meet usual college expenses, but who have the ability and the character to use a liberal education for responsible, intelligent service to society. . .
> — p. 7, College Catalog 1977-1979.

The Berea Alumnus, November-December 1977, indicates "the number of students who have paid a part or all of their educational expenses at Berea through labor program earnings is approximately 25,000" (pp. 8 and 11). The College Catalog 1977-1979 (p. 29) explains that

> Each student is credited with a labor grant of $1200 toward the cost of education for participation in the student labor program. In addition, labor payments are made directly to students as a means of financial aid to help meet the costs of room, board, books and personal expense. Students can earn from one-fourth to three-fourths of the cost of term bills while carrying a normal academic load and a labor assignment of 10 to 15 hours a week.

3. Enterprises

Auxiliary to its academic programs, Berea College operates dormitories, food service, and snack bar operations. In addition, many other enterprises are conducted to provide support and income to the College, to serve as academic-work resources for experiential education, and to provide employment opportunities for students beyond those work opportunities associated with College administrative, academic, and auxiliary enterprise units.

Berea College began as a settlement; the College pre-dated Berea, Kentucky. This historical fact is basis for conduct of several activities started to ensure self-sufficiency. The College, for example, owns and operates electric and water utilities which supply both College and town. Until comparatively recent years, the College included a high school and also operated the local hospital. A subsidiary company, The Berea Publishing Company, is publisher of the local weekly. Several of the Student Craft Industries--production units for craft items--originated in the practice of students producing woodcrafts (furniture, etc.) and woven and sewn goods for college use.

While some enterprises have been discontinued (including candy manufacturing, a bakery, and a grocery store), the numbers and types of Berea College enterprises have tended to expand over the long period of the College's existence. These presently include farming operations, hotel and dining room operation, printing, laundry, bookstore, and student crafts--this itself a grouping of craft production units for woodcrafts, weaving, needlepoint, ceramics, lapidary, broom making, and wrought iron, as well as sales facilities for their marketing.

II. COLLEGE-OWNED ENTERPRISES

From the enterprises conducted by Berea College, several were chosen for case study documentation. These enterprises include

- Boone Tavern Hotel and Dining Room
- College Farms and Poultry
- College Laundry
- College Store
- Student Craft Industries
- The College Press.

This part of the report describes the enterprises chosen for case study. While each enterprise could be described in a separate section, the subparts following are organized to discuss the enterprise "status descriptors" introduced in Part I and to describe Berea College enterprises in illustration of their application. The subparts include

A. Lines of business
B. Markets and marketing
C. Permissions and protections
D. Management and business services
E. Financial
F. Space, facilities and materials
G. Processes, schedules, and staffing.

Part IV, "Conclusions," of this report discusses the economic and educational benefits derived by Berea College from its business enterprises program.

A. LINES OF BUSINESS

Lines of business refers to an organization's major goal-directed activities.

Berea College: Lines of business

Berea College's primary line of business is education. The enterprises represent secondary and supportive lines of business in which the College has elected to engage.

Several characteristics describe the secondary lines of business of the College. Each enterprise is income-directed; each is expected to generate revenues sufficient to pay its own way and, usually, to return a profit. Each enterprise is viewed as an employment opportunity resource for students who require income to support their educational enrollment; further, the enterprises are experiential education resources for student learning. The enterprises represent diversification by the College into several lines of business.

Several Berea College lines of business, as mentioned earlier, are discussed by this case study. Overview coverage is provided for the College Laundry, College Store, and Farm and Poultry enterprises. More detailed information is provided for the Boone Tavern Hotel and Dining Room, the Student Craft Industries, and The College Press.

B. MARKETS AND MARKETING

For a particular enterprise, the potential markets stem from the line of business. Identification of those markets and the art of successfully exploiting their potential is, in turn, the aim of the marketing function of each enterprise.

Berea College: Markets and marketing

The success of Berea College enterprises in marketing derives from considerations of product, place, price, and promotion.

Product describes what, in tangible and intangible characteristics, is provided to the market. At Berea College, the products include services (hotel, laundry, dining room, and printing), raw materials (farm and poultry), and finished products (store, crafts, and printing).

Place refers to channels of distribution. Its variety of application at Berea College is illustrated by direct-to-student sales (laundry and store), direct to College sales (laundry and printing), wholesale sales (farm and poultry products as well as crafts products), and sales to non-college customers (printing, laundry, store, hotel and dining room, and the Student Craft Industries).

Price refers to product and service pricings. Berea College enterprises generally have adopted customary industry pricings.

Promotion refers to the advertising of Berea College enterprises and the marketing of their products and services.

1. Boone Tavern Hotel and Dining Room

The Boone Tavern Hotel and Dining Room was opened in 1909, has been enlarged three times, was extensively renovated in 1954, and has been in continuous operation since its opening. With 59 rooms for lodgers, dining room capacity of 200, banquet room capacity for 100, and related facilities, the complex operates as a public hotel, restaurant, and center for private functions. Hotel attributes include "65 air-conditioned rooms with bath, free guest parking, color TV, motor entrance, (and) rooms for private meetings." The menu form explains that the hotel

> . . . has been kept thoroughly modern at the same time it retains the charm of an earlier era. It is owned by the college and operated almost entirely (90%) by students, many of whom are majors in hotel management. The furniture is hand-made in the Berea College Student Industries.

Both hotel and dining room policy discourages tipping by guests. A special feature at the hotel is the conduct, by Berea College student guides, of campus walking tours for guests.

Boone Tavern Hotel has continued its original purpose of providing a guest inn for College visitors. It also enjoys the patronage of transients (Berea, Kentucky, is an exit point of Interstate 75, a major north-south route). Large billboards on Interstate 75 attract the attention of transients. Boone Tavern Hotel is listed in Country Inn, AAA, and Mobil Travel Guide and advertises in Redbook, Holiday, and Ford magazines. The facility offers country inn atmosphere and quality foods.

For the year ended June 1977, over 220,000 people were served; gross sales exceeded $1,000,000. Pricings for lodging are determined at budget preparation to provide breakeven for hotel operation; dining prices vary with food costs, which represent about one-third of the menu prices. Guests may pay by cash or check; Boone Tavern Hotel and Dining Room (unlike Student Crafts Industries) does not accept credit cards.

2. College Farms and Poultry

Berea College's Farms and Poultry operations produce eggs, chickens, turkeys, livestock, hogs, and crops--tobacco and other--for wholesale markets. Some poultry products are sold to the College's Food Service and dining operations; poultry products are also sold to visitors.

3. College Laundry

The College Laundry serves institutional (college dormitories, local motels, Berea Hospital, Boone Tavern Hotel) and public (students and town people) customers.

4. College Bookstore

Including a grocery store until its discontinuance in 1968, the Berea College Bookstore now carries textbooks (40% of sales), school and office supplies (15 to 20% of sales), trade books (commercially published literature as contrasted with textbooks, 15 to 20% of sales), clothing items, and records. The Store's clientele includes students, staff, residents, and tourists. Promotion is by window display, effective because the Bookstore adjoins the Boone Tavern Hotel and Dining Room. Pricings are on the basis of standard markups in the industry.

5. Student Craft Industries

Berea College's Student Craft Industries represent a comprehensive grouping including

- production centers:
  - Broomcrafts
  - Lapidary
  - Ceramics
  - Fireside Weaving
  - Woodcrafts
  - Needlecrafts
  - Wrought Iron
- sales outlets:
  - Log House Sales Room
  - Gift Shop
- marketing and management program:
  - Customer Service.

Promotion refers to the advertising of Berea College enterprises and the marketing of their products and services.

1. Boone Tavern Hotel and Dining Room

The Boone Tavern Hotel and Dining Room was opened in 1909, has been enlarged three times, was extensively renovated in 1954, and has been in continuous operation since its opening. With 59 rooms for lodgers, dining room capacity of 200, banquet room capacity for 100, and related facilities, the complex operates as a public hotel, restaurant, and center for private functions. Hotel attributes include "65 air-conditioned rooms with bath, free guest parking, color TV, motor entrance, (and) rooms for private meetings." The menu form explains that the hotel

> . . . has been kept thoroughly modern at the same time it retains the charm of an earlier era. It is owned by the college and operated almost entirely (90%) by students, many of whom are majors in hotel management. The furniture is hand-made in the Berea College Student Industries.

Both hotel and dining room policy discourages tipping by guests. A special feature at the hotel is the conduct, by Berea College student guides, of campus walking tours for guests.

Boone Tavern Hotel has continued its original purpose of providing a guest inn for College visitors. It also enjoys the patronage of transients (Berea, Kentucky, is an exit point of Interstate 75, a major north-south route). Large billboards on Interstate 75 attract the attention of transients. Boone Tavern Hotel is listed in Country Inn, AAA, and Mobil Travel Guide and advertises in Redbook, Holiday, and Ford magazines. The facility offers country inn atmosphere and quality foods.

For the year ended June 1977, over 220,000 people were served; gross sales exceeded $1,000,000. Pricings for lodging are determined at budget preparation to provide breakeven for hotel operation; dining prices vary with food costs, which represent about one-third of the menu prices. Guests may pay by cash or check; Boone Tavern Hotel and Dining Room (unlike Student Crafts Industries) does not accept credit cards.

2. College Farms and Poultry

Berea College's Farms and Poultry operations produce eggs, chickens, turkeys, livestock, hogs, and crops--tobacco and other--for wholesale markets. Some poultry products are sold to the College's Food Service and dining operations; poultry products are also sold to visitors.

3. College Laundry

The College Laundry serves institutional (college dormitories, local motels, Berea Hospital, Boone Tavern Hotel) and public (students and town people) customers.

4. College Bookstore

Including a grocery store until its discontinuance in 1968, the Berea College Bookstore now carries textbooks (40% of sales), school and office supplies (15 to 20% of sales), trade books (commercially published literature as contrasted with textbooks, 15 to 20% of sales), clothing items, and records. The Store's clientele includes students, staff, residents, and tourists. Promotion is by window display, effective because the Bookstore adjoins the Boone Tavern Hotel and Dining Room. Pricings are on the basis of standard markups in the industry.

5. Student Craft Industries

Berea College's Student Craft Industries represent a comprehensive grouping including

- production centers:
  - Broomcrafts
  - Lapidary
  - Ceramics
  - Fireside Weaving
  - Woodcrafts
  - Needlecrafts
  - Wrought Iron
- sales outlets:
  - Log House Sales Room
  - Gift Shop
- marketing and management program:
  - Customer Service.

6. The College Press

The College Press is the oldest Berea College business. Started in 1889 by students as the "Student Job Shop," the operations have since developed into the present comprehensive printing facilities and services.

The College Press serves both college and commercial customers. All departments of the College order printing from or through The College Press; the Development Office and Admissions Office are principal high-volume users. The College Press also prints The Pinnacle (campus newspaper), The Berea Alumnus (alumni magazine), and newspapers including the Berea Citizen (community weekly).

Pricing of services is market competitive; comparison bids are frequently requested from other printers, some jobs are purchased outside, and The College Press and cooperating printers sometimes provide backup services for one another. Promotion of printing services is by word of mouth advertising and contacts with printing and other organizations. The College Press has also produced a line of notepapers and cards which are marketed through the Student Craft Industries.

C. PERMISSIONS AND PROTECTIONS

Permissions and protections refer to the legal form of the enterprise, its ownership interests, and the risk management and enterprise insurance coverages obtained. Appropriate legal, tax accounting, financial, and insurance advisors are requisite to a college's entrepreneurial program. A college's operation as a non-profit corporation--its charter, state laws, federal laws, and other considerations--necessitates careful planning of profit-making enterprise activities.*

Risk management and enterprise insurance requirements for a college-owned business do not differ from those characterizing privately owned enterprises. Protections including workmen's compensation; casualty (automobile, fire, etc.), liability, burglary and theft, and accident insurances are usual. Special coverages may also be needed, such as boiler and equipment, delivery truck cargo, and other risks associated with particular enterprise.

---

* For further information, see Robert Nicolas: "Selected Tax Problems of College Entrepreneurship," paper presented at The Phelps-Stokes Fund Seminar on Entrepreneurial Development by Colleges and Universities, August 14-15, 1977, Leesburg, Virginia.

Berea College: Permissions and protections

Berea College's enterprises are fully owned, separately managed activities of the College. Special features of its enterprises include the fact that as a public hotel and restaurant, the Boone Tavern Hotel and Dining Room conducts its operations under State of Kentucky hotel law provisions and with licensing and inspections by the county health department. Further, the facilities are subject to requirements and inspections by the local fire department. Also important are federal law requirements--particularly the Occupational Safety and Health Act (OSHA)--which concern the enterprises, especially those operating machinery, e.g., College Farms, College Laundry, Student Craft Industries, and The College Press.

D. MANAGEMENT AND BUSINESS SERVICES

"Most businesses fail because of a lack of good management."
-- p. 14, publication OPI-6, Small Business Administration
(December 1976).

While a college's numerous constituencies (board of directors, administration, faculty, alumni, and students, as well as government, education, and community bodies) form a rich resource of relationships, a college-owned enterprise tends to require and develop special constituencies of its own. Government licensing and inspection programs are requisite for many types of enterprises; in addition, long term success in the management of enterprises is aided by cooperative involvement in industry and community trade groups.

The industry manager must know the business, its requirements for operation, and its relationships to supplier resources and customer markets. In addition, the manager's expertise is supplemented by access to professional legal, finance, insurance, and other advisors. Further, the enterprise's asset acquisitions and contractual operations make available to the management the experience and help of other businessmen. For these reasons, resources for enterprise management membership and participation in industry and community trade groups should be provided by the college to help keep the enterprise management up to date.

Berea College: Management and business services

Berea College enterprise managers report administratively to the Office of the Business Vice President. Management services are provided through the business office;

legal services are provided by the college attorneys; financial services are provided by the controller, internal auditor, accounting, and business data processing offices.

An on-campus information exchange is provided through regularly scheduled meetings of the Business Office and enterprise managers. Non-enterprise college personnel are often invited to these monthly staff meetings to provide interchanges of ideas and opinions.

Each manager of a Berea College enterprise had prior experience in business, usually in the type of enterprise now managed. Some managers and supervisors are Berea College graduates (including hotel management and business majors). Within-industry credentials are also encouraged (The College Press manager, for example, has completed the "Certified Graphic Communication Manager" program). Enterprise staff members are involved with the ongoing networks of operational relationships which characterize each industry: government agencies (licensing, inspections, etc.), other business specialists (equipment service contractors as well as present and potential suppliers), and customers. Further, the enterprise managers hold membership in outside groups, of which the following are examples:

- Boone Tavern Hotel and Dining Room:
  - Kentucky Hotel-Motel Association
  - Hotel-Motel Association of America
- Student Craft Industries:
  - Blue Ridge Guild
  - Southern Highland Handicraft Guild
  - Kentucky Guild of Artists and Craftsmen.
- The College Press:
  - In-plant Printing Managers Association
  - National Association of Printers and Lithographers
  - Printing Industries of America.

A special feature of management is the extent to which enterprises utilize students in supervisory capacities. Examples include the Poultry enterprise, which, while under Farm manager supervision, is student managed and operated. Boone Tavern Dining Room employs student supervisors for each dining room team. The College Press has planned a hierarchy of its student positions, including supervisory levels. (See also Part III, particularly the discussion of the Berea College Student Labor Program classification system for student positions.)

E. FINANCIAL

Insufficient capital is ranked regularly just following managerial inexperience as a contributory cause for business failure. Adept use of available capital resources is a complicated matter for the financial environment of an enterprise includes such considerations as

- investments in capital assets;
- investments in inventories;
- budgeting, working capital, and cash flow patterns; and
- income-expense trends and profitability.

Typically, the enterprise has investments in use or ownership of land and building, equipment, and automotive vehicles, as well as in inventories. Typically, also, the revenues generated (cash receipts or in-flows) do not match the expenses (cash out-flows) experienced during the same time intervals. This imbalance necessitates the anticipation of budgeted amounts (often including non-recurring expenditures) and the management of working capital to assure cash on hand to pay expenses. Further, an enterprise anticipating growth requires planning: assumptions as to sales, decisions as to funding the increased capacity (particularly fixed asset expansion and financing of larger inventories), and the new mix of cash flow and working capital needs which expansion entails. Enterprise management requires timely financial information: bookkeeping to an appropriate chart of accounts, with regular statements of income and expenses, and comparative-to-budget statements. Finally, the enterprise's operational and financial records should make possible bottom-line types of evaluation: profitability, assessment by conventional ratios for measuring business operations, recognition of trends in expenses-income activities, and assessments as to the attainment of planned and budgeted goals.

Berea College: Financial

Because the business enterprises exist to contribute experientially to the education and financially to the support of Berea College's students, the executive management of the College seeks the attainment of those goals at the same time as it seeks to operate viable businesses. Ideally, each enterprise should return a profit; at the very minimum, a venture providing extensive educational benefits requires a return which exceeds the costs of student employment.

Berea College's financial budgeting task begins with formulation, from planning, of next year's cost of educating students. Enterprise budget requirements and projections, in turn, are considered from two major points of view: (1) the proposed operating budget of the enterprise, and (2) the contribution to student labor, in terms of student employment opportunities, which is proposed by the enterprise. Capital expenditure requests--new equipment, etc.-- are also a part of the enterprise's budget proposal.

In the annual budget preparation cycle, proposals are considered beginning in December, and the next fiscal year's budget is developed and approved by March. Formal budget adoption includes approvals of the budget by the Administrative Committee and the Board of Trustees of the College. The budget year is July 1 through June 30.

Several features of financial policy and approach apply to each enterprise's budget:

- All real property is owned by the College. An amount per square foot is established as average rental charge, and each enterprise is charged at that rate for the area of real property occupied.
- Equipment and furnishings are capitalized. Depreciation reserve charges are assessed to the enterprises which carry the capital items.
- Inventory investments are provided by the College. The cost of capital invested in inventories is charged to the enterprises which carry them (this procedure makes an end-of-year inventory valuation and charges that valuation at the rate of 4%, spreading the charge monthly over the budgeted year's months).*
- Overhead services provided to the enterprises by the Berea College administrative organization--executive management, data processing, accounting services, and others--are combined into an administrative fee assessed to each enterprise and included in its budget as a fixed monthly administrative charge.

Operationally, enterprise financial records are maintained by data processing, which provides monthly status reports reflecting income (by categories and total) and expenses (by categories and total). The typical categories of income and expenditures are indicated by the descriptions for the various enterprises which follow.

---

* Inventories are discussed in subpart F, "Space, Facilities, and Materials." Several hundred thousand dollars of inventories are carried by the enterprises studied, primarily by Student Craft Industries (raw materials, work in progress, finished goods, and stock for retail sales). The College Store, Press, Boone Tavern Hotel and Dining Room, College Farms and Poultry, and Laundry also carry inventories.

Other features of accounting practices of Berea College include centralized purchasing, budget transfers for interdepartmental transactions, and centralized cash receivables invoicing and collections.

1. Boone Tavern Hotel and Dining Room

Income consists of cash sales: hotel lodging and dining room receipts.

Expense items include rent, depreciation, interest (on inventories), and administrative charge. For the Dining Room, the cost of products sold is reported. Other categories of expense include salaries and wages, student labor, payroll taxes and related expenses, repairs, utilities, laundry, supplies, and other costs.

2. College Farms and Poultry

Income reflects receipts from crop, livestock, poultry, egg, and other sales.

Expenses include rent, administrative fee, depreciation, labor, taxes, utility, supplies, repair, and other categories. Further, they include interest (on inventory investments), feed purchases, seed and fertilizer (Farm), and egg and poultry purchases (Poultry).

3. College Laundry

Income to the laundry is categorized by sales and college charges.

Expense categories include rent, administrative fee, depreciation, labor, taxes, utilities, supplies, and repair.

4. College Store

Income to the Bookstore includes sales and college charges categories; expenses include those mentioned above for the Laundry, and also advertising expense.

5. Student Craft Industries

Student Craft Industries, as mentioned earlier, includes production centers, retail sales outlets, and customer service.

The income of the production centers includes sales to retail and wholesale customers, the latter including transfers to Marketing and Management and to the

Student Craft Industries' retail outlets for resale; sales to the college (such as Woodcraft furniture), and endowment income (Fireside Weaving only).

Production center expenses include cost of products sold, salaries and wages, student labor, payroll-related expense, depreciation, utilities and laundry, supplies, interest (on inventories--Student Craft Industries begin their processes with raw materials and carry those inventories plus work in progress), rent, administrative charge, and other expenses.

The income of the retail outlets includes the resales of both Student Craft Industries products and the products of other craft producers (see subpart B, "Markets and marketing"). Customer Service (Marketing and Management Offices) income includes direct mail (catalog) resales of purchased/consigned crafts; sales of Student Craft Industries products are attributed as income to the individual production centers.

Expense categories for the Student Craft Industries retail sales outlets and for Customer Service include those indicated as applicable to the production centers. The Log House Sales Room, Boone Tavern Gift Shop, and Customer Service units, however, carry the additional category of advertising expense.

6. The College Press

Income to The College Press includes subcategories of sales (i.e., to non-college customers) and College charges.

Expense items include cost of products sold, salaries and wages, student labor, payroll-related expense, depreciation, repairs, utilities, laundry, supplies, rent, administrative charge, and other (interest is included in this item).

F. SPACE, FACILITIES, AND MATERIALS

The tangible aspects of an enterprise--what a visitor to an enterprise's location actually sees--include something of its space, its facilities, its materials, its products, and, of course, its people. Not only are these characteristics of the enterprise most impressionable for visitors, they also may be most influential for enterprise management as well. Too elaborate or large or costly space, too sophisticated machinery (often complex, single-purpose equipment), too extensive an inventory, too exclusive an

inventory, too much ownership of assets (thus constraining working capital)--these and other decision outcomes have created difficulties for many enterprises.

Asset selection and investment, as well as inventory composition and level, decisions are difficult managerial judgments--matters which utilize time, money, space, and labor, and require confidence in prediction of the timing and amounts of anticipated sales. The concomitant investments of funds expose the enterprise to risks at the same time as the investments provide requisite conditions for income.

Berea College: Space, facilities, and materials

Berea College's enterprises, overall, are provided with suitable space, facilities, and materials. Some problems with space exist due to the growth and development of enterprises (particularly Woodcrafts and The College Press) to the extent that present quarters physically impose operating constaints. As has been done for other enterprises in the past, expanded facilities are being designed for these enterprises.

Exhibit 2 shows the location of various enterprises on the campus.

1. Boone Tavern Hotel and Dining Room

Located on campus, the Boone Tavern Hotel and Dining Room is a three-story building including

- lobby
- dining room (seats 200)
- banquet room (seats 100)
- card room
- TV room
- second floor parlor
- 59 guest rooms.

Space is provided between the Hotel lobby and Dining Room for the Boone Tavern Gift Shop, a Student Craft Industries retail outlet.

Facilities include

- lobby, dining and banquet room, and guest room furniture (the furniture pieces are products of Student Craft Industries' Woodcrafts production unit)

Exhibit 2: On-Campus Locations of Enterprises

- bedding, linens, and bath items
- carpeting, draperies, color televisions (all rooms), and items including mirrors, pictures, etc.
- office and maintenance equipment
- heating, air conditioning, fire, and safety equipment
- food preservation and preparation items (refrigerators, freezers, ovens, ranges, mixers, fryers, griddles, slicers, ice cream machines, coffee urns, ice maker, steam tables, dishwashers, and disposal)
- table and food service items (servers, trays, china, glassware, flatware, table pads, linens, vases, candleholders, etc.)

Materials for the Boone Tavern Hotel and Dining Room include daily purchases of meats, vegetables, fruits, and dairy products. Food purchases are made directly by Dining Room management from several suppliers. Purchases of other materials (linens, glassware, china, kitchen utensils, etc.) are made through purchasing requisition.

2. College Farms and Poultry

The College Farms total over 1,200 acres; one-third is used in educational functions, including cattle, hogs, and feed activities as well as other agricultural instruction; one-half is leased for cash or shares (part as joint commercial ventures in tobacco crops and cattle); and the remainder is in buffer land in various plots near the campus. (The College also owns several thousand acres of forest land, some of which is used for recreational purposes and some as a water shed area for the water utility.)

Poultry includes turkey, chicken, and egg operations.

3. College Laundry

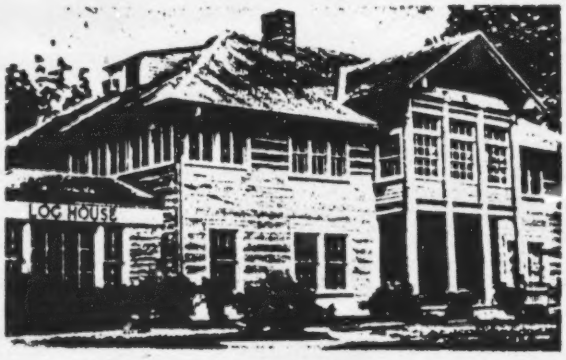
The College Laundry is on-campus and occupies about 10,000 square feet. Equipment includes washer-extractor (2), washers (2), extractors (3), flat work ironer (six roll, 120"; does eight sheets per minute for dorms and hospital); folder (for flatwork), apparel presses (3), and shirt unit (1). Laundry supplies are purchased annually in bulk.

4. College Store

Occupying space adjacent to the Boone Tavern Hotel and Dining Room, the Bookstore utilizes 2,400 square feet for salesroom display and 1,400 square feet for storage. Equipment includes sales display units, show cases, shelving, check-out unit, and office machines. Inventory turnover is high. Textbooks are purchased for each semester's academic schedule; tradebooks and office supplies are stocked continuously.

5. Student Craft Industries

Student Craft Industries occupies several on-campus locations. Retail sales outlets include the Log House Sales Room (shown below) and the Gift Shop (located in Boone Tavern Hotel), which occupy about 7,000 square feet, almost all in sales display area.



The Log House Sales Room has been enlarged and remodeled several times since it was built in 1917. It is a display and sales room for Student Craft Industries products and for other handcrafted articles. It also contains the Wallace Nutting Collection of Early American furniture. The Log House is open from 8:00 a.m. to 8:00 p.m. Mondays through Saturdays.

Customer Service (Marking and Management Offices) plus warehouse area, the Fireside Weaving, and Needlecrafts production centers occupy 4,500 square feet in a 3-story campus building. Woodcrafts occupies its own 3-story building (20,000 square feet). Broomcrafts also is housed in a separate building (one story, 3,500 square feet) and has two small storage buildings. Ceramics (1,200 square feet), Lapidary and Jewelry (600 square feet), and Wrought Iron (400 square feet) occupy spaces in college buildings including the Danforth Industrial Arts building.

Equipment items for the craft production centers include some production equipment which was made on campus: looms (Fireside Weaving), broom making machines (Broomcrafts), and kilns (Ceramics). Production equipment items, in several instances, were donated to the College (for example, the Lapidary production center). Equipment used by several of the Student Craft Industries includes

Broomcrafts: scraper/seeder, broom clippers, dying outfit and vats, fans (exhaust) heater units, incinerator, rack for finished goods, stitcher, broom and brush winders (both foot and power operated).

Fireside Weaving: winders, sewing machine, looms, fly shuttle loom, treadles.

Needlecrafts: cloth cutting machine, button hole machine, sewing and stitching machines (hem, lockstitch, etc.), double needle machine, stuffing machine (for cloth toys).

Woodcrafts: benches, bit shaper, compressors, drills, jointers, lathes, morticers, dry kilm, glue spreader, grinders, nailers, planers, routers, sanders (air, belt, drum, etc.), saws (band, bench, cutoff, skill, etc.), shapers, sprayer.

Retail sales units: sales display units, show cases, shelving and tables, check-out units, and office machines.

Materials purchases for the Student Craft Industries production centers include the raw materials from which items are crafted. Several considerations affect purchasing decisions: (1) needs for materials and timelag in purchase deliveries, (2) lag time in readiness of materials for use (for newly-cut woods, seasoning may take several years), (3) materials availability and price expectations now and in the future, (4) volume discount availability, and (5) warehouse space and its cost. Generally, Student Craft Industries buys materials in volume in frequencies appropriate for lowest prices and warehousing expense. As is apparent from the lists prepared below of the types of materials and items purchased, both general and highly specialized suppliers are necessary to fulfill procurement needs.

Woodcrafts: raw lumber, finishing materials, packaging.

Ceramics: clays (five kinds), chemicals for glazes.

Weaving and Needlecrafts: virgin wools, acrylics, cottons, printed broadcloth and other fabrics.

Broomcrafts: broom corn (purchased from Illinois suppliers raw and then processed fully at Berea), processed corn, and broom handles (cut locally to specifications).

Lapidary: raw stones (all types), some "findings" (ring forms), raw sterling.

Wrought Iron: raw iron ("Black" iron), sheet metal strips.

Retail units: crafts from guild members--high quality items not produced by Student Craft Industries which, in combination with Berea College items, complement and enhance the retail product lines.

6. The College Press

The College Press occupies 7,000 square feet of a campus building. Also, it operates a small, academic department printing location (Draper Service Center) in another building. Further, coin-operated copying machines in three locations are provided for administrative, academic, and student use.

Equipment items for The College Press include:

Composition: input terminals (2), video-editing terminal (1), and photo typesetter (2).

Art, Camera, and Stripping: art tables (2); light table (3); camera developer, and darkroom items; platemaker.

Press: offset presses (15" x 18" sheetfed, 20" x 28" sheetfed and 32" web press); letterpresses (10" x 15" platen; 21" x 28" cylinder).

Bindery: folders (2), gatherer and stitcher (six-part gatherer of printed units), papercutter (40").

Draper Service Center: offset platemaker, offset presses (2, one manual, one automatic), sheet collator, stapler, paper cutter, sign press.

Materials purchased and carried in inventory by The College Press include papers, film, printing plates, inks, and chemicals for photographic use. Paper is purchased weekly (some on long-term order, other for special jobs); other supplies are purchased on a monthly basis.

G. PROCESSES, SCHEDULES, AND STAFFING

The day-to-day functioning of an enterprise means people doing things during specific times. Operational processes, time schedules, and work position staffing are necessary for the organization to accomplish its work. Depending on the enterprise, different characteristics describe its activities: the Farm's processing schedule, for example, including breaking ground, planting, cultivating, and harvesting, represents a very different time cycle of activities than does the Boone Tavern Dining Room, for which the time cycle begins in advance of each meal.

Both the activities of the enterprise and its schedule determine staffing requirements.

Berea College: Processes, schedules, and staffing

A general requirement for Berea College enterprises is the need for regular staffing. Where many students are employed, such as in the Boone Tavern Dining Room, the students must arrange their schedules and time commitments to provide time for work when the work unit requires it. In addition, sufficient numbers of non-student employees are required for performance of enterprise activities.

Tourists provide a portion of the trade for the Boone Tavern Hotel and Dining Room, for the Bookstore, and for the Log House Sales Room and Boone Tavern Gift Shop. The seasonal patterns of tourists are reflected in Boone Tavern Hotel occupancy rates:

January-February:	fairly slow
mid-March:	starts to pick up
April:	fully occupied (particularly south-wintering northerners returning north)
May-June:	80% or so occupied
July-August:	fully occupied (vacation periods)
September:	80% or so occupied
October:	fully occupied (fall season when leaves change colors in the moutains; also northerners going south)
November-December:	varies with the year.

With the exception of the summer months, the peaks of activity fit well with Berea College's academic year, which allows a good match between availability of students for employment and staffing needs. Summer requirements for employees are resolved by the hiring of students for full-time work (called "labor only" employment; College enterprises pay these employees minimum wage for the period of full-time work).

1. Boone Tavern Hotel and Dining Room

Desk and housekeeping processes are the principal hotel operations. A full-time employee is on duty from 11 pm as Night Clerk; during other hours, the Desk is student staffed (part-time work for 15 students). Students are also employed as Bellmen (part-time work for 10 students). The Housekeeping function has full-time Supervisor and Maid (8) positions, with no regular student employee staffing.

Dining Room operation includes food preparation and dining room service related processes. Food preparation includes full-time positions as Head Chef (one in the am and one in the pm), Assistant Cook (one in the am and one in the pm), pastry department staff (2), and staffing in salads (2 in the am and 3 in the pm), vegetables (2 in the am and 3 in the pm), meats (5 in the am and 3 in the pm), and pots-pans-dishwashing (7 in the am and 7 in the pm). Dining Room operation includes full-time positions as Dining Room Supervisor (one), Hostess (one in the am and one in the pm), and Waitress (six, normally in the am). The Dining Room operation is mostly student staffed. Three students work as Student Supervisors, 10 to 15 students are employed part-time as Section Supervisors, and 90 students work part-time as Waitresses, Waiters, and Traymen. Staffed as teams, one group of students works the breakfast period; the other three groups provide staffing for the lunch and dinner periods.

Full-time employment ("labor only") is provided for 25 to 35 students to provide continuity of staffing of the Boone Tavern Hotel and Dining Room when school is not in session. For peak periods and special events during the year, extra students may be employed to supplement the normal full-time and part-time staffing.

2. College Farms and Poultry

Farm operations are accomplished by full-time positions of Manager, Farmhand (1), Student Labor Coordinator (1), and by the sharecropper (1). Part-time positions are provided for 8 students.

Poultry operations, under the direction of the Farm Manager, are fully student managed. The Student Manager works 20 hours per week; staffing includes 6 to 8 students who work part-time.

3. College Laundry

The Laundry is staffed full-time by a Manager, Secretary, Washman, Driver, Flatwork operators (5), Shirt presser (1), and other employees (4). Students are employed part-time for office assistance (1), and as Washmen or Drivers (6), the latter for delivery and pickup trips (dormitories, hospital, hotel, and motels).

4. College Store

The Bookstore has a Manager and two full-time employees. Three part-time positions are staffed by students during peak hours (total of 80 to 90 student hours per week); extra students work part-time at the beginnings of semesters when textbook stocking and sales peaks occur.

5. Student Craft Industries

The work processes of the production centers of the Student Craft Industries are inherent in the craft works produced; by craft guild policies, handwork (the labor component) must be a minimum of fifty percent of the article's cost. As illustration, Broomcrafts* begins its production with broomcorn. In sequence, the broomcorn is sorted, separated by grade and length, cleaned, scraped, and bundled; it is then dyed and dried. Subsequent processes include rolling, braiding, handsewing, placing of a thong in the handle, trimming, and slipcover packaging. Depending on the type of broom, wiring of the broom to a handle may also be done.

Another important aspect of production crafts is the requirement for quality control beginning with the selection of raw materials. The craft processes are often so lengthy that subtle defects in raw materials may be revealed only after expenditure of time in prior processes.

Full-time and part-time (student) staffing of Student Craft Industries, by production and sales units, includes**

Broomcrafts: Manager, Broommaker (2), and students (26 during school year, 4 at Christmas and in summer).

Woodcrafts: Manager, Superintendent, Clerk, staff (9), and students (40 during school year, 2 at Christmas, 10 in summer).

---

* Almost all brooms produced have been established as student piecework incentives. Similarly, several small games crafted in Woodcrafts carry piecework incentives for production.

** Student positions during the school year (fall term, short term, and spring term) are part-time (10 or more hours as arranged per week). Christmas vacation employment may be worked to fulfill the student's labor contract; if the labor contract has already been met, minimum wage is paid. Summer employment (40 hour week) is paid at minimum wage.

Fireside Weaving and Needlecrafts: Supervisor, Weaving Technician, Needlecraft Technician, Finishing Technician, and students (40 during school year, 2 at Christmas, and 6 in summer).

Ceramics: Director (two nights a week), Production Potter, Senior Apprentice, and students (15 during school year and 8 in summer).

Lapidary: Supervisor, staff (2), and students (7 during school year).

Wrought Iron: Supervisor and students (6 in fall term, 2 in short term, 4 in spring term, and 2 in summer).

Log House Sales Room: Manager, Merchandise and Inventory Control Clerk, Clerk, Sales Manager, Sales Clerk, and students (23 fall term, 12 short term, 23 spring term, 12 at Christmas, and 11 in summer).

Boone Tavern Gift Shop: Manager and students (12 fall term, 10 short term, 12 spring term, 4 at Christmas, and 6 in summer).

Customer Service (Management and Marketing): General Manager of Student Craft Industries, Office Manager, Secretary, and students (17 fall term, 5 short term, 9 spring term, 2 at Christmas, and 4 in summer).

6. The College Press

Processes performed by The College Press include

- composition, design, art preparation, and layout
- photography, stripping, and platemaking
- printing (including process color work)
- folding, stitching, punching, and padding
- collating, gathering, binding, and trimming.

As indicated previously, both sheet and web presses are used. Composition is done by input terminals to a photo-compositor which sets the type.

Staffing of The College Press includes full-time positions of Superinentendent; Plant Foreman; supervisors for composition, art, camera-platemaking, press (2), bindery, and office. Student part-time positions are in composition (9), art (2), camera-platemaking and press (2), bindery (7), and other (5, including 3 students who work Wednesday nights to assemble printed newspaper sections).

The Draper Copy Center facility employs one full-time employee and 7 to 10 students.

III. EXPERIENTIAL EDUCATION

A recent book, Rationales for Experiential Education, defines experiential education as ". . . learning outside the normal classroom environment that has been planned for prior to the experience." The authors conclude that

> Taken as a whole, the literature of experiential education calls for a new interpretation of the relationships of the individual to those institutions that affect him, including education, the work place, and citizenship. Furthermore, this literature demands reinterpretation of the relationship of these three dimensions of modern life to one another. The writers suggest that to create an environment hospitable to true 'life-long learning' the relationships must be redrawn in such a way that the individual can gain more from all three activities and see that the three activities are not necessarily unrelated . . .
>
> — p. 43, Rationales for Experiential Education. (Robert F. Sexton and Richard S. Ungerer, ERIC/Higher Education Research Report 3, Washington, D.C.: American Association for Higher Education, 1975.)

The concepts of life-long learning and the interrelationships of learning, working, and serving resemble closely the philosophical foundations upon which Berea College was founded. At a recent national meeting, Berea College's program was characterized as follows:

> A good work program serves the philosophy and the mission of the institution. To illustrate, Berea College, Berea, Kentucky, has the educational philosophy 'One does not come to Berea College to get away from work, but rather one comes to learn to work and to live on a higher level.' To support this institution's philosophy, work experience is a part of the curriculum and a requirement for all students. Therefore, Berea's work program is designed to serve its institution's philosophy and mission.
>
> — p. 323, Work and the College Student. (Frank C. Adams, chapter 44, "The Criteria for a Good Work Program." Proceedings of the First National Convention on Work and the College Student, Southern Illinois Univ. Press, 1976.)

This part of the report considers the principal characteristic features of experiential education. As was done for enterprise features in Part II, principal features of the topic are separately discussed, with Berea College case study information supplementing the text as illustrations of their application. The subparts include

A. Definition of experiential education
B. General themes
C. Forms of implementation
D. Work arrangements
E. Work supervision
F. Outcomes of experiential education.

A. DEFINITION OF EXPERIENTIAL EDUCATION

The Rationales book defines experiential education as being

> . . . learning activities outside the normal classroom environment, the objectives of which are planned and articulated prior to undertaking the experience, involving activity that is meaningful and real and on the same level as that of other nonstudents in the same non-classroom environment, and in which the learner has the assistance of another person (most often a faculty advisor) in expanding the learning as much as possible that takes place in nonclassroom settings. The terms internship, field experience, practicum, cross-cultural experience, service-learning, cooperative education, or 'sponsored' work experience are often used to identify these activities.
>
> — p. 1, Rationales of Experiential Education.

Berea College

Berea College has dedicated itself to its commitment "to demonstrate through the Student Labor Program that work, mental and manual, has dignity as well as utility" (inside cover, College Catalog 1977-1979).

While formal programs of experiential education may include work experience as requisite to degree requirements, the Berea College approach emphasizes the opportunities for and the developmental benefits to be derived from work.

> Many students work in programs closely related to their academic and personal interests. . . For instance, art students may work in ceramic production, child development majors may work with preschool children, and hotel management majors may work at the Boone Tavern Hotel. Students are also employed as associates in core courses, as science laboratory assistants, and as tutors and counselors. In addition, various academic departments employ students to assist in clerical and research tasks.
>
> Student labor assignments are also made in various community service programs . . . These programs relate to the personal interests

of the students they involve. They also relate to Berea's Appalachian commitment. Involvement of student labor in such programs is strongly supported by both students and staff members.

Many assignments, of course, are not related directly to academic and personal interests. Nevertheless, these assignments are important to the institution and to the students who carry them out. Relating to necessary operations, they provide financial aid and emphasize the dignity of labor.
— pp. 313 and 315, Berea College Self-Study Report, 1972-1973.

B. GENERAL THEMES

The Rationales report observes that "several general and interrelated themes emerge from all conceptual discussions of experiential education. . . ." (p. 6). These themes are expressed as viewing experiential education as

"a vital ingredient of 'nontraditional' education"

"a revitalizing component for general education or liberal education"

"a vital component of training for identifiable professional fields"

a means to "foster a new role for the university in the community"

"important for achieving 'new' educational missions, such as developing interpersonal skills or career awareness."

The report further indicated that

A review of the literature turns up numerous pleas for the greater integration of the world of work and education. It is popularly agreed that work experience and various forms of experiential education unquestionably meet important student needs for career exploration, career testing, and various forms of career development. Furthermore, work opportunities for young people can be examined in the context of society's total employment policies and specifically the problems of youth employment.
— p. 24, Rationales for Experiential Education.

Berea College: General themes

The Student Labor Program of Berea College has been expressed, symbolically, as shown:

The sides of the octagon represent the dimensions of the Student Work Program.

> In trying to articulate the purposes or values of a work-learning program, we found it couldn't be reduced to one dimension. The importance of various dimensions or facets may vary with programs, assignments, time or person concerned, but more than one dimension seems always to apply. We have identified eight dimensions:
>
> (1) Financial Aid,
>
> (2) Manpower,
>
> (3) Skill Training,
>
> (4) Career Development,
>
> (5) Social Values,
>
> (6) Personal Growth,
>
> (7) Service, and
>
> (8) General Education.
>
> — pp. 163-164, Work and the College Student. (William R. Ramsay, chapter 21, "The Work-Study Development Project at Berea—A Progress Report.")

C. FORMS OF IMPLEMENTATION

Forms of experiential education include both off-campus and on-campus activities.

Off-campus approaches most typically include some variety of "cooperative education," an education-work approach in which school, student, and employer cooperate in linking work experience and academic education.

> Cooperative education can refer to any one of the number of types of off-campus productive work . . . In the vast majority of institutions, however, cooperative education is still conducted in accordance with the traditional definition. This definition requires that the following factors be adhered to as closely as possible:
>
> (1) The student's off-campus experience should be related as closely as possible to his field of study and individual interest within the field,

(2) The employment must be a regular, continuing and essential element in the educational process,

(3) Some minimum amount of employment and minimum standard of performance must be included in the requirement for the degree or certificate presented by the school,

(4) The working experience will ideally increase in difficulty and responsibility as the student progresses through the academic curriculum and, in general, shall parallel as closely as possible his progress through the academic phase.

— p. 29, Handbook of Cooperative Education. (Asa S. Knowles & Associates, San Francisco: Jossey-Bass Inc., Publishers, 1971.)

On-campus approaches include student part-time employment, in recent years aided by the Federal Work-Study Program. An informative summary history of the development of student on-campus employment was recently provided:

> While it is debatable whether work is the oldest formalized student financial aid, its establishment as a program on college and university campuses does go back several decades. Historically, student employment programs on campus have evolved as the needs of students have determined such actions. Prior to the early 1930's, student employment programs were not always under the jurisdiction of university and college administrations except at those institutions traditionally based upon a student work philosophy. Independent agencies helped by recognizing students' needs and were instrumental in the development of structured on-campus work programs. Campus-based YMCA's and other agencies allied with or supportive of the universities handled off-campus work programs, and their examples were used in some cases as guides in establishing student work offices.
>
> The advent of the National Youth Administration in the early 1930's with its federally subsidized college student employment based on financial need did much to provide impetus for the development of formal on-campus work programs. For the first time, many campuses were exposed to and utilized formal employment applications, job classifications, payment plans, and placement eligibility according to government established financial need criteria.
>
> — p. 80, Money, Marbles, or Chalk. (John R. Griffin and Cherie D. Lenz, chapter 8, "The On-Campus Student Work Program." Edited by Roland Keene, Frank C. Adams, and John E. King, Carbondale, Ill.: Southern Ill. Univ. Press, 1975.)

Presently, funding of on-campus work positions may be by the institution with, in applicable instances, assistance by programs such as the Federal Work-Study Program:

> The Federal Work-Study Program came into existence in 1965 to assist needly college students. Such students, after meeting financial-need requirements, work mostly on campus in part-time employment for a maximum of fifteen hours per week, with the Federal government paying 80 per cent of their salary and the college paying 20 per cent. The funds may also be used for part-time work off-campus in non-profit programs. These arrangements require a contract between the cooperating agency and the college.
>
> — p. 30, Handbook of Cooperative Education (1971).

In the provision of financial support for college education, it is noted that student work opportunities compete for the student's attention with grants, scholarships, loan programs, and other means of providing current funds for education.

Berea College: Forms of implementation

The following are features of the Student Labor Program of Berea College:

- The aim of providing work for some students was expressed in Berea's original constitution and the 1906 catalog announced that all students were required to share in the work of the school. The first dean of labor was employed in 1914. The present ten hour weekly minimum work requirement was set in 1917. . . Virtually every college student participates in the labor program and students carrying full class loads normally work from a minimum of ten to a maximum of fifteen hours per week. . . .
  — p. 311, Berea College Self-Study Report, 1972-1973.

  The concept of work learning is basic to the philosophy of Berea College, where the educational program is a life experience that includes the performance of work.
  — p. 29, College Catalog 1977-1979.

- New students are introduced to the labor program through information printed in the catalog and the student handbook.
  — p. 312, Berea College Self-Study Report, 1972-1973.*

---

* Since the Self-Study publication date, a booklet entitled A student guide to Berea's LABOR PROGRAM has been issued. This document is a students' version of the General Policies and Procedures of the Berea College Labor Program, which is the program guide for supervisors.

- Prior to their arrival on campus, new students fill out qualification record forms which are reviewed in making initial labor assignments and in subsequent referrals based on skills and experience. . . .
  — p. 7, General Policies and Procedures of the Berea College Labor Program, 1976-1977.

  Students are assigned positions as freshmen, and usually serve their first year in basic services. Most are assigned to Food Service, Boone Tavern, Buildings and Grounds (Physical Plant), or to beginning level positions in College offices or student industries. . . .
  — p. 7, General Policies and Procedures.

  Each student is expected to fulfill a 'First Year Requirement' by completing a school year in his first job assignment, after which he is free to apply for any job in the labor program.
  — p. 2, General Policies and Procedures.

- After the freshman year of assigned labor, students may seek labor positions of their choice. They are encouraged to choose assignments in their departments or other areas and departments which require greater skills and levels of responsibility than during their first year. In some departments, the first-year investment in training and experience makes it desirable to move up within that department, rather than to change. Supervisors can be a motivating factor in the upward progression of able student workers.
  — p. 7, General Policies and Procedures.

  Upperclassmen seek their own assignments from the listing of over 1,600 positions published each spring by the Vice President for Labor and Student Life. Contracts are signed with labor departments for an academic year.
  — p. 29-30, College Catalog, 1977-1979.*

- Student labor contracts covering general contract conditions are entered into between the student and the College for the period that the student is enrolled with Berea College. Labor departments then make individual contracts with the students who will work in their department. . . ."
  — p. 8, General Policies and Procedures.

---

* The ". . . listing of general areas of student labor at Berea and the labor departments in which such work assignments are carried out," reprinted from pp. 30-32 of the College Catalog, 1977-1979, appears as Exhibit 3.

Exhibit 3: Areas of student labor and labor departments in which work assignments are carried out

Academic and Related Areas

Agricultural Department
Appalachian Museum
Appalachain Studies
Art Department
Audio-Visual Services
Biology Department
Chemistry Department
Counseling Department
Dramatics Department

Economics and Business Department

Education Department
English Department
Foreign Language Department
Geology and Geography Department

Health Department
History and Political Science Department

Home Economics Department

Industrial Arts Department
Issues and Values
Library
Man and the Arts
Mathematics Department
Music Department
Nursing Department
Philosophy and Religion Department
Physical Education — Men's Department
Physical Education— Women's Department
Physics Department
Pre-school
Psychology Department
Religious and Historical Perspectives
Sociology Department
Testing and Tutorial Services
Upward Bound

Student Personnel

Alumni Building
Campus Activities Board
Office of Dean of Labor and Student Life
The Chimes
The Pinnacle
Residence Hall Program
Student Association

Community Services

Community School
Firehouse
Hospital
Mental Health
Mountain Maternal Health League
Puppetry
Recreation Extension
Save the Children Federation
Students for Appalachia
Summer Recreation

Offices and Services

Accounting
Admissions Office
Alumni Association
Campus Security
The Citizen
College Health Service
College Press
College Store
Computer Center
Office of Dean of the College
Office of Associate Dean of Academic Affairs
Dental Office
Development Office
Draper Service Center
Electric Utilities
Institutional Research
Labor Office and Financial Aid
Manpower and Training
Office of Information
Physical Plant
Placement Service
Post Office
President's Office
Purchasing
Registrar's Office
Student Development Services

Auxiliary Enterprises

Dormitories
Food Service
Snack Bar

Student Industries and Projects

Boone Tavern Giftshop
Boone Tavern Hotel
Broomcraft
Ceramics Department
College Farm
Customer Service
Fireside Weaving
Lapidary
Laundry
Log House Sales Room
Marketing
Needlecraft
Poultry Farm
Wilderness Road
Woodcraft
Wrought Iron

- Positions are classified according to level of responsibility, skill and experience required in accordance with the classification schedule. . . .
  — p. 5, General Policies and Procedures.*

- Remuneration for student labor is considered a part of financial aid, a total program including tuition remission [cost of education] for all students and additional loans and grants for students who need them. Identifying student labor as part of this program, remuneration is referred to as "labor payments" rather than as salaries or wages. . . While labor payments during the academic year are not considered a measure of the value of student labor, they do involve actual transactions in which students receive monthly checks. Students are required to meet financial obligations to the college according to established schedules (or individual plans), but they manage their own funds and use labor payments for a variety of purposes.
  — pp. 315 and 318, Berea College Self-Study Report, 1972-1973.
  (Note: The "financial obligations" referred to are also known as the "term bill" and include costs of room, board, and other fees. The student also pays for books and personal expense.)

  Labor payments at Berea College are a means of direct financial aid to students. They are administered in the same way as wages, but do not represent full or actual compensation for services rendered. Individual labor performance may represent greater or lesser value than the labor payments indicate.

  In direct payments, students receive 80¢ per hour as a beginning freshman in the first semester, advancing to a maximum of $1.68 per hour depending on the level of position attained, their performance, and the number of semesters worked. The average student at Berea receives about $400 in cash payments for a regular academic year.
  — pp. 14-15, General Policies and Procedures (1976-1977).

- Self-help labor credits (labor loan credits) are a means of additional payments to students with extra financial need, based on hours contracted and worked above the minimum requirement of 10 hours per week. The entire financial structure of Berea College is based on the principle of providing the best possible education for the least cost to the student. The Student Aid Program is based on the premise that Berea College students will make every reasonable effort to help themselves through summer wages, student labor earnings, and personal sources. . . . [if accepted to this plan on financial need,] For each hour per week above 10 hours contracted and worked at a satisfactory level throughout a regular term, a credit of $20 will be given. . . .
  — p. 15, General Policies and Procedures.

* Exhibit 4 shows the Schedule of Classifications; Exhibit 5 is an Outline of Labor and Learning Progressions (a guide to supervisors for structuring student assignments in accord with the classification plan. (Pages 6 and 9, General Policies and Procedures.)

Exhibit 4:

SCHEDULE OF CLASSIFICATIONS

The classification titles are descriptive but are not necessarily specific position titles. The word "student" would precede each title when used to denote a position in the labor program.

Series Titles	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5
Office and Clerical	General Clerk	Records Clerk Clerk Typist	Secretary Assistant Records Clerk	Assistant Office Manager	Reserved for individual position clearly requiring higher levels of skill and experience and involving program responsibilitie of greater scope and magnitude.
Custodial & Bldg. Mgt.	Janitor I	Janitor II	Monitor	Asst. Bldg. Mgr.	
Craft & Skill	Craft or Skill Aide	Craft or Skill Asst.	Craftsman	Asst. Craft Supv.	
Technical & Specialist	Technical Aide	Technical Asst.	Technician	Asst. Tech. Mgr.	
General Labor & Production	Helper	Production Asst.	Production Leader		
Food & Hotel Services	Hotel or Dining Aide Waitress Trainee Busboy Trainee Server	Desk Clerk Asst. Waitress Busboy Asst. Hostess	Desk Clerk Senior Waitress Dining Asst. Hostess	Hotel Mgt. Asst.	
Sales & Public Relations	Sales Aide Info Aide	Sales Asst. Info Asst.	Asst. Sales Supv. Info Officer	Asst. Sales Mgr. Info Spec.	
Personnel Services	Dormitory Aide	Resident Asst. Counseling Asst.	Sr. Res. Asst. Asst. Counselor	Asst. Dorm Dir.	
Teaching & Research		Course Aide Instructor Aide Tutor I Lab Aide Research Aide	Course Asst. Asst. Instructor-Tutor II Lab Asst. Research Asst.	Instructor Research Leader Asst. Lab Supv.	
Community Services	Program Aide	Program Asst.	Program Officer	Asst. Prog. Dir.	
Adm. & Supervisory		Adm. Aide	Adm. Asst. Asst. Supervisor	Asst. Prog. Mgr. Supervisor	

Exhibit 5:

OUTLINE OF LABOR AND LEARNING PROGRESSIONS

Functional Levels	Learning Objectives
Beginning Level (Grade 1) Unskilled work Under supervision or structure In training Repetitive or routine Limited judgment required	Basic Work Habits and Attitudes Meeting schedule Meeting standards of performance Efficient use of time Healthy attitudes toward work and supervision Working with others Sharing responsibility Recognition of importance of work Learning basic skills and information
Intermediate Level (Grade 2) Semi-skilled work Less direct supervision Some independent judgment Semi-independent knowledge of job Some work variety	Responsibility and Skill Development Taking personal responsibility Application of knowledge to situation Self-identification of skills, talents, interests, and limitations Learning and developing confidence in skill or program knowledge Appreciation of work as a process as well as a producer
"Journeyman" Level (Grade 3) Skilled work Little direct supervision Independent judgment on procedures Variety and depth Helps train others Contributes to improvement	Creativity and Awareness Importance of iniative Awareness of needs Problem identification Analytical ability Problem solving Role of standards and leadership
Supervisory or Management Level (Grade 4) Program or skill competence at high level Only general supervision received Provides supervision to others Responsible for program area Makes independent judgments on application of policy Accepts management responsibility	Understanding and Commitment Understanding relationships between individuals, institutions, and processes Comprehension of values, realities and goals Commitment to service Ability to articulate and interpret observations, experiences, and understanding
Leadership or Directive Level (Grade 5) Assumes program directing role Provides high technical or skill leadership Significant management responsibility Substantial supervisory responsibility High degree of independence	Leadership and Autonomy Understanding of leadership in community context Development of responsible autonomy Ability to transmit values and interpretation to others Confidence of self-knowledge and value commitments

Labor budgets are prepared for Summer school, Labor only (full-time employment of students during summer), Christmas vacation, Fall term, Short term, and Spring term. Because student work positions usually exceed in number the student population of Berea College, some students work at more than one job. Both "labor payments" and "self-help labor credits" are forms of financial assistance offered to Berea College students. Four other financial assistance means are used: scholarships, student aid grants, a deferred payment plan, and the student loan program (p. 15, General Policies and Procedures of the Student Labor Program, 1976-1977).

Direct labor payments, according to the College Catalog 1977-1979, amount "to approximately $1,050,000 per year." Under the labor budget for 1976-1977, the "total paid to students" was $1,133,800; this amount was comprised by

General and academic (from gifts, endowment income, and federal programs' funds	$584,500
Auxiliary service (from student fees for board and room)	83,200
Student industries and projects	297,400
Cooperative programs (residence) (from cooperating organizations)	61,700
Summer work-study program (from federal programs and cooperating organizations' funds)	57,000
Total labor payments to students	$1,083,800
Self-help labor credits	50,000
Total paid to students:	$1,133,800

— p. 24, A student guide to Berea's LABOR PROGRAM.

Considering only the enterprises of case study interest, for year-end June 1977, student labor expenses amounted to one-quarter million dollars. These expenses were attributed to the enterprises studied by the following percentages of the total:

Boone Tavern Hotel and Dining Room	38%
College Farms and Poultry	5%
College Laundry	1%
College Store	2%
Student Craft Industries	46%
The College Press	8%.

— Berea College Financial Statements for the year ended June 30, 1977.

D. WORK ARRANGEMENTS

Work arrangements for experiential education programs, while fitted to individual needs, should meet several basic criteria:

A good work program serves the philosophy and the mission of the institution.

The endorsement and support of the institution's chief administrator are all important.

A sound work program must have sufficient funding for the employment of students.

A variety of jobs is necessary to accommodate the educational and financial requirements of students.

A student job classification plan is needed that includes student job descriptions.

A good work program should have defined goals and objectives.

A work program can be no better than are the immediate supervisors of the students.

A good work program should have a central office to administer the program and a work program administrator who can provide the leadership for effective functioning of the program.

Students must be considered as important members of the institution's personnel team.

Students seeking employment should know how to work or be willing to learn from someone who does.

In the best interests of students and the institution, students should be registered, allowing a daily time block of two to four hours in which to work.

Evaluation of Student Work Experiences with the records placed in the student's placement files.

— pp. 323-327, Work and the College Student. (Frank C. Adams, chapter 44, "The Criteria for a Good Work Program.")

Questions often asked are "How much should students work?" and "Does working affect their grades?"

> In an ideal on-campus program, the work office would want to initiate studies as to the number of hours students might be able to work and still maintain satisfactory academic performance. Such studies would be extremely useful in packaging employment effectively in financial aid and also in determining what turnover would result if certain maximum hour limits are not followed. The latter is an important factor in selling and retaining the on-campus employers of students. In their own experience, the authors have found that ten to fifteen hours of work can easily be absorbed into the weekly routine and help to gear the student to better utilization of time. In a doctoral dissertation completed by Bruce Kelly at the University of Illinois in 1970, it was indicated that there was no significant grade point difference between the working and non-working student.
>
> — pp. 87-88, Money, Marbles, or Chalk. (John R. Griffin and Cherie D. Lenz, chapter 8, "The On-Campus Student Work Program.")

Berea College: Work arrangements*

As noted in subpart C, freshmen are assigned, but non-freshmen are expected to locate their own work positions. The enterprises are encouraged to structure student employment opportunities into meaningful career progression sequences (see Exhibits 4 and 5, pp. 39 and 40). Work structuring has been a subject for continuing research at Berea College and

> We find the definition of work in terms of projects or tasks to be superior to either traditional positions or personal assistantships, although we use the latter styles most often. When a student is given a specific task defined by objective and turned loose with the resources and guidance to pursue it, he will almost always out-produce students in more traditional situations. This is true of students doing piece work in our broom industry, doing computer programming, or taking on class projects for a professor . . . .
>
> — p. 165, Work and the College Student. (William R. Ramsay, chapter 21, "The Work-Study Development Project at Berea—A Progress Report.")

Student work time control policies and procedures have been established. Notification to the supervisor must be given by students unable to report to regularly scheduled work assignments. Students with excused absences must arrange to make up missed time, particularly if necessary for the student to meet the 140-hour minimum requirement for each academic term.

---

* Much of the information of the previous subpart (C: "Forms of implementation") is relevant also to this subpart. Except where noted, the discussion is based on information from the General Policies and Procedures of the Berea College Labor Program, 1976-1977.

Performance evaluation is a tool regarded as "essential to the operation of labor departments and programs." Performance evaluation

> . . . is not simply a grading system, but rather should be considered a means of measuring student development, in terms of productivity, responsibility, initiative, cooperation and attitudes . . . The evaluation can be made into a learning process for the student if the student is allowed to have some input into his own evaluation . . . Evaluation can also be an important means of offering encouragement and reinforcement to student workers . . . as an instrument to broaden learning possibilities and to encourage personal development for students.
>
> — p. 17, General Policies and Procedures.

All students, as mentioned, must meet the institutional work requirement of 140 hours per semester; students who do not earn their "labor credit" are ineligible for pay increases.

Records, including semester evaluations of student performance in which labor supervisors rate student workers, are part of the students records kept by the Labor and Financial Aid Office. For individual students, these records provide information helpful in selection, promotion, and other decisions, as well as an information source for reply to student-authorized academic and employment reference requests. For the student body as a whole, the records, together with academic records, provide a data bank for research. In this regard, Berea College has investigated the relationships between hours worked and academic achievement (where hours worked are typically the 10 hours per week institutional requirement):

> . . . there is no correlation between hours worked and academic achievement. The only slight correlation we found was at the bottom of the scale. The student who did poorly academically tended to work fewer hours and to do poorly in his work--and vice versa. A problem student is a problem student.
>
> — p. 166, Work and the College Student. (William R. Ramsay, chapter 21, "The Work-Study Development Project at Berea— A Progress Report.")*

Further aspects of the Student Labor Program include supervision (discussed in subpart F) and student recognition and awards (discussed in subpart G, "Outcomes of Experiential Education").

---

* Full information is in A Comparison of Academic and Labor Performance of Berea College Students, Berea College, 1974.

E. WORK SUPERVISION

One of the many "criteria for a good work program" cited in the preceding subpart was that "A work program can be no better than are the immediate supervisors of the students." To elaborate, Frank C. Adams explained that

> Good supervision is the bulwark of a good work program. Supervisors are to student work experience what teachers are to the classroom learning. There must be cooperation and unity of purpose with supervision and the student employment staff. No work program can be successful without the support of faculty, staff, and students.
>
> — p. 325, Work and the College Student. (Frank C. Adams, chapter 44, "The Criteria for a Good Work Program.")

Berea College: Supervision

> Supervisors of student workers have two kinds of jobs. They must be concerned at once with both the development of the worker as a student and with successfully guiding the student as a worker in the effective production of goods or services as demanded by job objectives. The relationship of educational values to the student worker must be balanced fairly with the economic benefits to the employer. Sometimes the economic forces are so strong that production for profit becomes the overpowering force, causing the educational values which can be derived from work experience to be neglected or even ignored completely.
>
> — p. 288, Money, Marbles, or Chalk. (Wilson Evans, chapter 26, "Supervisors of Student Workers as Teachers"; also appears as chapter 52 in Work and the College Student.)

The dichotomy of supervisory interest referred to by Wilson Evans has prompted research and activities not only in regard to student labor programs but in the importance and functions of their first-line supervisors. Berea College's staff has conducted and participated in many work study programs and projects.*

---

* In 1973, Berea College's Work-Study Development Project was funded by grant from the Educational Foundation of America which sponsors research and development programs for the furtherance of excellence in higher education. A three-year program, the aims of the project were ". . . to improve supervision; to improve the way in which student labor is used; to help other institutions develop labor programs; to make more connections between the labor program and the academic program; and to solve scheduling problems which exist between labor and classes." (P. 326, Berea College Self-Study Report, 1972-1973.)

Recognizing differences between student workers from other workers; i.e., that

(1) Students are short-term employees;

(2) Students' perception of time tends to be in shorter periods than supervisors or other employees;

(3) Students have a desire for quick results and impact;

(4) Students are free from constraints of experience or of vested interest in long-range employment . . .,

Berea College has suggested that the set of student worker characteristics has

> . . . implications for supervision. It means more emphasis on planning work, on interpreting experience and/or relating tasks to goals. It means greater tolerance in some cases, willingness to hold to standards in others.
> — p. 165, Work and the College Student. (William R. Ramsay, chapter 21, "The Work-Study Project at Berea—A Progress Report.")

In developing methodologies to achieve improved work-study programs, Berea College has conducted workshops (supervisory training, position and project development, administration and finance of student work-learning programs, and others) and shared information through publication.* A particularly relevant publication is a manual for supervisors, Directing the Student Work Experience (Berea College: 1976, 57 pp.) which observes that

> It is the supervisor who makes the work-learning process succeed. It is the supervisor who provides the training, guidance, and instruction required in work-learning. And it is the supervisor who is the key to the quality of learning which takes place on the job.
> — p. 4, Directing the Student Work Experience.

The book's contents include

Introduction
Work-Learning Defined
What Supervisors Do
Responsibilities to Students
Characteristics of Student Workers
Student Manpower Structures
Conducting the Student Interview
Planning for Supervision
Training
Communicating
Motivating
Evaluating
Coping With the Problems
Student-Supervisor Relationships
Counseling and Advising Students
Complaints of Students
Supervisory Checklist
Conclusion.

* A list of the Work-Study Development Project's Experiential Education Library (September 1975) and other publications may be ordered from the project at Berea College.

F. OUTCOMES OF EXPERIENTIAL EDUCATION

Programs of experiential education produce outcomes for both students and employing organizations.

The experience in experiential education is important to students:

> Experiential education can be viewed as enhancing the maturation process of young people. Students participate in experiences where they learn how to accept responsibilities and to be part of the adult society . . . Students are challenged to develop personal autonomy for their own learning and doing.
> — p. 25, Rationales of Experiential Education.

In work experiences, students have opportunities to integrate theory and practice; develop understanding and skills in human relations; gain orientation into the world of work; and learn established practices, organizational operations, and outlook (from Irvin B. Miller, "The Nature and Philosophy of Cooperative Education," chapter 14 in Work and the College Student).

Financial outcomes are highly important to students and

> . . . student employment administrators must be cognizant of the changing trend in students' desires and requests for more work opportunities to help gain education and fewer loans and less of the give-away funds in loans, grants, special funding, etc., which place a future burden on the student. Students also are interested and want to contribute to our social culture through work performance.
> — p. 81, Work and the College Student. (W. L. Pederson, chapter 10, "A Critique of On-Campus Work Programs.")

Organizations employing students through experiential education programs benefit from

1. An immediate source of temporary manpower
2. Screening and recruitment of future employees
3. Access to skills and knowledge of academic institutions
4. Opportunities for supervisors, as well as interns, to learn ways to manage work and learning for themselves
5. Opportunities to examine the learning and teaching dimensions of their own organizations
6. Access to thoughts and attitudes of the young (ventilation)
7. Invigoration of permanent staff through the presence of students
8. Fostering creditable witnesses (interns and faculty) about the nature and worth of the organizations in promoting the public interest.

—p. 34, Rationales of Experiential Education.

Berea College: Outcomes of experiential education

Outcomes of the Student Labor Program at Berea College are derived through accomplishment of the following purposes for which the program is designed:

> To enhance the total educational program through the learning of skills, responsibility, habits, attitudes, and processes associated with labor. . . .
>
> To support a democratic community culture in which economic and social distinctions are minimal. . . .
>
> To provide and encourage self-help opportunities for students in paying costs of board, room, and related expenses. . . .
>
> To provide manpower for College operations, keeping costs low to students and maintaining College programs at an economical level. . . .
>
> To provide opportunity for the expression of service to others and to the community through labor. . . .
>
> To establish a life style of doing and thinking, of action and reflection, of service and learning that carries on beyond college years.
> — p. 1, General Policies and Procedures of the Berea College Labor Program, 1976-1977.

For students,

> Labor assignments are seen in much the same way as classes within a curriculum. . . . Through these experiences . . . student workers will develop good basic work habits and attitudes, an understanding of personal skills, talents, interests, and limitations, the ability to solve problems, to exercise creativity and initiative, to develop responsibility and confidence as well as to increase social and economic mobility. A more limited number of students move into positions involving management and supervision. These students in supervisory positions learn through their work experience the qualities of leadership, standard setting, and an understanding of values in human relationships which are important factors in effective supervision.
>
> The labor program adds a dimension to the campus which makes possible additional sets of relationships. Students know each other as co-workers as well as classmates. . . . Students learn standards of performance related to utility and quality of services and products as well as academic standards. They contribute through labor while they are students--and should continue to couple learning with work after their college education is completed.
> — p. 2, General Policies and Procedures.

The program includes student career planning and development. Helpful Berea College publications include A Student Guide to Berea's LABOR PROGRAM and Liberal Arts: Your Major, Your Future (May 1976), the latter a career guide which associates U.S. Department of Labor occupational titles (from the Dictionary of Occupational Titles, D.O.T.) with Berea College curriculums. This publication also appends a list, by academic major, of career fields which recent Berea College graduates have entered. Through the Student Labor Program, graduating students have built an employment, as well as academic, history, both of which provide records for later recommendations, on the student's request, to prospective graduate schools and employers.

While participating in the Student Labor Program, students are eligible for awards and recognition:

> The annual spring celebration of Labor Day is a traditional occasion for recognizing students who have demonstrated exceptional abilities and made special contributions to the program. . . .
>
> The Danforth Creative Effort Prize is an example of the incentive awards which are presented each Labor Day. . . . Other special awards in the form of cash are presented in recognition of students who have made outstanding contributions in service and performance in weaving, library service, the School of Nursing, Boone Tavern, Food Service, the building maintenance and care program, and in general labor assignments. . . .
>
> — p. 18, General Policies and Procedures.*

Students graduating from Berea College find their work experiences helpful:

> In a survey of our alumni we found that the work experience during student days was more highly valued in most cases for personal growth and social values than for specific career development. Alumni reported the experience to have been important in subsequent careers whether or not the work had been related to career choices. One might conclude that what you do as work as a student is not as important as that you do work of some kind.
>
> — p. 164, Work and the College Student, (William R. Ramsay, chapter 21, "The Work-Study Development Project at Berea—A Progress Report.")**

---

* Labor Day, first celebrated on May 3, 1923, has been an annual event. "Traditionally, Labor Day features a procession made up of students and other workers from each labor department carrying an identifying banner and the tools of their labor. This procession, led by the college president, dean of labor and student life, and the day's speaker, proceeds down University Walk to Phelps-Stokes Chapel. Upon arrival of the procession at the chapel, all clumsy tools are left at the chapel doors and everyone goes in to listen to a speech on some aspect of labor. . . . The program and theme of Labor Day vary from year to year, but as always, labor awards are presented to students for outstanding performance in their departments. And Labor Day continues to be a thoroughly good time for everyone." (A Student Guide to Berea's LABOR PROGRAM, pp. 34-35.)

** Full information is in Berea's Student Labor Program: A Survey of Alumni Attitudes (January 1975).

IV. CONCLUSIONS

> . . . The purpose of the College shall be to furnish the facilities for a thorough education to all persons of good moral character, at the least possible expense, and all the inducements and facilities for manual labor which can reasonably be supplied by the Board of Trustees shall be offered. . . .
>
> — Berea College Constitution, 1859, quoted in A Brief History of Berea College.

The small tuition charged in the early years was eliminated in 1892. The first dean of labor was appointed in 1914. Since 1917, all students must share in the Labor Program to the extent of ten hours a week. (A Brief History.) At the fall meeting, November, 1951, of the Berea College Board of Trustees, the following resolution was unanimously passed:

> Berea has never believed, and does not now believe, that education is a matter of training the mind alone. Berea believes that skills acquired through all forms of constructive labor are an essential ingredient of real education. . . . Labor is introduced into the wider curriculum of the campus, not only as a way of paying expenses while getting an education, but as education itself. . . . Therefore, both the Educational Policy Committee of the Board and the Student Industries Committee would recommend that every student coming to Berea should be thoroughly informed as to the unique educational value of our labor program, and should also be urged to participate in, and elect as part of his or her campus activity, those arts and crafts which demand the highest skills and, therefore, offer the maximum of educational value.
>
> — Minutes, November, 1951, as quoted, pp. 285-286 in Money, Marbles, or Chalk. (Wilson Arnold Evans, chapter 26, "Supervisors of Student Workers as Teachers.")

"Under the present policy, students are assured that the instructional costs of their education will be provided through a combination of various grants and scholarships. Students and their families are responsible only for room, board, and other personal expenses to the extent of their ability to pay" (p. 6, A Brief History). Further, Berea College has provided, through its Student Labor Program, employment opportunities for students which not only help make possible the remission of costs of education, but, further, pay students "labor income" which supplies cash for payment of their personal obligations. The Student Labor Program

> . . . is a self-help device for students with financial needs. Labor payments account for the greatest part of over $1,000,000 in direct

> financial aid paid annually to students to help cover their board, room, and personal expenses. . . . It is a manpower program to staff college offices, academic departments, student industries, services, community programs, and all other College and related activities. . . . Career development and testing is a substantial facet of the program. . . . The Labor Program is for many a training experience in acquiring manual and mental skills. . . . 'Labor is . . . education itself . . . more than a means to education' [from Minutes, November, 1951, Board of Trustees meeting; see previous page] . . . Personal growth is fostered by the work experience. . . . [because] everybody works . . . this enhances a sense of community and a feeling of citizenship responsibility. . . . Labor is service. . .
>
> — p. 4, The Berea Alumnus, May-June 1974 (William R. Ramsay, "The Multi-Dimensions of Berea's Student Labor Program.")

This report has presented a case study of Berea College enterprises (Part II) and Berea College's implementation of experiential education through the Student Labor Program (Part III). The enterprises for which Part II presented case study information include

- Boone Tavern Hotel and Dining Room,
- College Farms and Poultry,
- College Laundry,
- College Store,
- Student Craft Industries, and
- The College Press.

Together, these enterprises in the fiscal year ended June 1977 provided student employment financial aid payments of over $250,000, an amount which was about one-fourth of the Student Labor Program budget for the year. With the "cost of education" provided by the College, the $250,000 of student labor expense represented cash payments to students, at hourly rates from $0.80 to $1.68 per hour for work of 10 to 15 hours per week during school terms.*

---

* "The student pay scale at Berea leads many to complain that they are receiving sub-minimal wages for their labor. From time to time they tend to forget that a portion of their pay is an in-kind payment in the form of a tuition-free education. The 1975-76 educational costs of approximately $3,900 per student annually, divided by the total average number of hours worked per school year, actually represents more than $9.00 an hour for student employment. Students [may] need to be reminded of this . . ." (pp. 50-51, Directing the Student Work Experience, 1976).

The ways in which the enterprises benefit Berea College are complex and interwoven. For example, some production output (e.g., laundry services, printing, office supplies and books) is provided to the College departments, at the cost of usual market prices. Having on-campus sources of supply is a convenience to the College; in turn, having the College as customer is a source of stability for each enterprise. Further, this form of self-sufficiency retains within the College the profits on such sales.

Financially, the primary benefit to the College derives from the opportunities for student employment--opportunities which pay cash as financial aid to student employees who in turn pay board, room, and personal expenses. As indicated in A Brief History of Berea College, "For countless young people through the years the Berea College Labor Program has made the difference between a college education and no education" (p. 8).* The College's enterprises sell to the College and to non-College customers, thus generating sales income. This income pays for student labor and other expenses. Exhibit 6 indicates student labor payments for year-end June 1977, by enterprise, together with the percentage of student labor payments to total labor expense (i.e., combined non-student and student labor expense).

Exhibit 6

Student Labor Income for Students Employed by Selected Enterprises
(year-end 1977)

Enterprise	Student Labor*	Per cent of total enterprise labor expense**
Boone Tavern Hotel and Dining Room	$96,248	16%
College Farms and Poultry	12,103	31%
College Laundry	2,331	3%
College Store	6,014	14%
Student Craft Industries	114,078	29%
The College Press	19,344	19%
	$250,118	

* Percentages of each enterprise to the total of student labor payments for the enterprises here reported are Boone Tavern Hotel and Dining Room 38%, Farm and Poultry 5%, Laundry 1%, Store 2%, Student Craft Industries 46%, and Press 8%.

** Includes salaries and wages (non-student) and student labor expenses.

* In the November-December 1977 issue, The Berea Alumnus estimated that 25,000 students have "paid a part or all of their educational expense at Berea through labor program earnings."

Other financial benefits provided by the enterprises are inherent in several non-labor expense categories. Several expense categories of each enterprise provide for payment of costs to other College units: rental of real property, interest (on inventory investments), utility costs (the water and electric utilities are owned by the College), laundry expenses, and administrative charges. To the extent that these charges represent at-market prices, payment within the College retains the profit margin within the College; or, to the extent the expenses are assessed at cost, the enterprise, by paying the expenses within the College, is spared the profit which at-market outside suppliers would include in their charges. Berea College, therefore, benefits financially from tending toward a "closed" economic system.

Finally, the group of enterprises, as viable businesses, is expected to return modest return on investment toward maintenance of viability. The modest profit for the group of enterprises for year-end June 1977 was $18,534 (see Exhibit 7), with the ratio of profit to sales .6%. Inherent in these enterprises is the fact that each is operated as an experiential educational resource for Berea College, particularly to provide financial aid to Berea College students (for year-end June 1977, the ratio of student labor expense to sales was 7.6%).

Exhibit 7

Sales Receipts, Profit (Loss), and Ratio of Profit to Sales for Selected Berea College Enterprises (year-end 1977, etc.)

Enterprise	Year-end receipts*	Year-end profit (loss)	Ratios: profit to sales receipts 1977	1976	1975
Boone Tavern	$1,373,082	$116,434	8.4%	8.4%	14.0%
Farms and Poultry	157,318	(43,356)	---	---	---
College Laundry	132,370	3,774	2.9%	---	7.2%
College Store	339,999	24,598	7.0%	8.4%	6.3%
Student Crafts	997,398	(86,331)	---	---	---
College Press	290,740	3,415	1.2%	3.5%	2.7%

*1977 sales increased 9% over 1976; 1976 sales increased 5% over 1975.

References

Books

Keene, Roland, Frank C. Adams, and John E. King, eds. Money, Marbles, or Chalk. Carbondale, Ill.: Southern Illinois University Press, 1975.

Keene, Roland, Frank C. Adams, and John E. King, eds. Work and the College Student. Carbondale, Ill.: Southern Illinois University Press, 1976.

Knowles, Asa S., and Associates, Handbook of Cooperative Education. San Francisco: Jossey-Bass, Inc., Publishers, 1971.

Sexton, Robert F., and Richard A. Ungerer, Rationales for Experiential Education. Washington, D.C.: American Association for Higher Education, ERIC/Higher Education Research Report 3, 1975.

Other

Berea College:

A Brief History of Berea College, undated.

A Comparison of Academic and Labor Performance of Berea College Students, 1974.

A Student Guide to Berea's Labor Program, by Rusty Wilburn, undated.

Berea College Catalog 1977-1979, Series Thirty Four, Number Four, September 1977.

Berea College Financial Statements for Year Ended June 30, 1977.

Berea College Self-Study Report 1972-1973.

Berea's Student Labor Program: A Survey of Alumni Attitudes, January 1975.

Catalog, Handex furniture.

Catalog, Student Craft Industries.

Catalog, Woodcraft Furniture.

Directing the Student Work Experience, A Manual for Supervisors. Ed. by Ann S. Ford, February 1976.

Experiential Education Library, Work-Study Development Development Project, September 1975.

General Policies and Procedures of the Berea College Labor Program, 1976-1977.

Guide to the Campus, 1976.

Liberal Arts: Your Major, Your Future. Ed. by Rusty Wilburn, May 1976.

The Berea Alumnus, "The Multi-Dimensions of Berea's Student Labor Program," November-December 1977.

The Berea Alumnus, "Alumni Labor Program Questionnaire," May-June 1974.

Phelps-Stokes Fund:

Nicolas, Robert, "Selected Tax Problems of College Entrepreneurship." Paper presented at The Phelps-Stokes Fund Seminar on Entrepreneurial Development by Colleges and Universities, August 14-15, 1977.

Small Business Administration, publication OPI-6, December 1976.

U.S. Department of Commerce, Economic Development Administration Grant No. 99-06-09589 to the Phelps-Stokes Fund.